

Congress of the United States
Washington, DC 20515

June 4, 2019

Mr. Larry J. Merlo
President and Chief Executive Officer
CVS Health
1 CVS Drive
Woonsocket, RI 02895

Mr. David S. Wichmann
Chief Executive Officer
UnitedHealth Group
9900 Bren Road East
Minnetonka, MN 55343

Mr. Tim Wentworth
Chief Executive Officer and President
Express Scripts Holding Company
One Express Way
St. Louis, MO 63121

Dear Mr. Merlo, Mr. Wentworth, Mr. Wichmann,

The Congressional Hispanic Caucus (CHC) respectfully requests a meeting with you to gain a better understanding of the role pharmacy benefit managers (PBMs) can play in reducing the cost of insulin for patients. We are profoundly concerned about the skyrocketing costs of insulin and the severe toll it is having on American families, especially Hispanic communities who are disproportionately affected by diabetes. CVS Health, Express Scripts, and OptumRx of UnitedHealth Group are the largest pharmacy benefit managers in the country, collectively comprising 78% of the market and covering 180 million enrollees.¹ Consequently, you play a fundamental role in the delivery of insulin to patients across the United States. We urge you to meet with the CHC in June of 2019 to discuss the contributing factors of escalating prices and the unilateral actions your companies can take to ensure that insulin becomes affordable to all Americans once again.

The CHC just concluded a series of meetings with the Chief Executive Officers and Presidents of insulin manufacturers, Sanofi, Eli Lilly and Company, and Novo Nordisk. Part of our discussion turned to rebates and discounts negotiated with PBMs, insurance companies, and other intermediaries. We understand that the role of pharmacy benefit managers is to develop and maintain formularies and to negotiate discounts and rebates between insurers and drug manufacturers. In 2018 alone, rebates and discounts totaled \$150 billion, and we want to ensure that those savings achieved by the PBMs and insurers are being passed along to the patients.

In 2017, the principal PBMs had larger revenues than the top pharmaceutical manufacturers, underscoring your growing role in our health care system.² While profits are soaring in the tens of billions for pharmacy benefit managers and insulin manufacturers, Americans are forgoing their mortgage payments and dying because of the lack of affordable access to insulin. This harrowing scenario must end requiring significant change from all actors throughout the insulin supply chain, including pharmacy benefit managers. It is time that each actor does all in its power to immediately mitigate the insulin crisis that is disrupting care for patients and claiming the lives of Americans.

¹ "Concerns Regarding the Pharmacy Benefit Management Industry" November 2015

<http://www.ncpa.co/pdf/advocacy/concerns-pbm-issue-brief.pdf>


² Kevin A. Schulman, MD "The Evolving Pharmaceutical Benefits Market" June 12, 2018

<https://jamanetwork.com/journals/jama/article-abstract/2678286>

The CHC is bicameral and composed of 36 members of the House of Representatives and two United States Senators. Our members sit on key House and Senate Committees including the House Energy and Commerce Committee, House Ways and Means Committee, Senate Finance Committee, and House Appropriations Committee. We are committed to working with each of you to deliver insulin at affordable prices. We look forward to discussing these issues with you in person.

Please contact Congressional Hispanic Caucus Executive Director Alma Acosta at alma.acosta@mail.house.gov for any questions.

Sincerely,



Joaquin Castro
CHC Chairman


Ruben Gallego
CHC First Vice-Chair


Nanette Diaz Barragan
CHC Second Vice-Chair


Adriano Espaillat
CHC Whip


Veronica Escobar
Freshman Representative


Raul Ruiz
Health Care and Mental Health Task
Force Chair